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SB 712
AAC Timely Notice of Workers' Compensation Claims
to the Department of Administrative Services

Labor & Public Employees Committee
February 26, 2009

Good afternoon Senator Prague, Representative Ryan, Ranking Members and other distinguished members of the Labor & Public Employees Committee, I am Doug Rinaldi, Manager of the State of Connecticut Workers' Compensation Program that is administered by the Department of Administrative Services.

I am here today to **testify in support of SB 712**, and would like to thank the Committee for raising this bill. The concept of this bill came about after many discussions with the attorneys in the Office of the Attorney General who represent DAS and the state in workers' compensation cases before the Workers' Compensation Commission.

This bill is fairly straightforward. Basically, it ensures that the state gets fair and timely notice of all state employees' workers' compensation claims so that we can perform the necessary due diligence on the claims. The changes proposed will potentially save the state significant dollars in workers' compensation appropriations.

Currently, the statute that addresses legal notice for purposes of filing a workers' compensation claim states that an employee provides legal "notice" of his/her injury if the employee sends a notice of claim for compensation - a Form 30C - to his or her "employer."

Legal notice in workers' compensation cases is important because an employer has only 28 days from the notice date to investigate a claim and determine whether or not to contest it. If an employer does not begin to pay benefits without prejudice or contest a claim by the 28th day after notice, the claim is considered "accepted" by the employer and the employer must pay all medical, lost time and other costs associated with the claim. This is true even if an

employer later discovers that the claim did not arise out of or during the course of employment.

Since DAS is responsible for the administration of all workers' compensation claims filed by state employees, it is our responsibility to investigate claims and, if warranted, to file contests. Therefore, it is critical that DAS receives timely notice of all claims. Unfortunately, this does not always happen.

If a state employee gives a workers' compensation Notice of Claim form to a supervisor, manager, HR office, or other office within one of the numerous agencies, facilities, or institutions run by the state, and neither the employee nor the agency provides DAS with prompt notice of the claim and the 28 days run, the state loses its right to contest the claim. In such a case, the state will be **liable for all the costs of the claim.**, even if it is later discovered that the claim would not be compensable under the Workers' Compensation Act.

This proposal fixes this problem by ensuring that, for workers' compensation claims brought against the state, **legal notice is not provided** - and the 28-day investigation period does not begin - **until the employee provides notice to DAS.**

Without timely notice of each and every state workers' compensation claim, our workers' compensation program cannot effectively investigate claims to determine which have merit and which should be contested. Currently, the state assumes liability for claims that may have been successfully contested, simply because it did not have timely notice of the claims.

Once again, I thank you for the opportunity to testify on this bill. I would be happy to answer any questions that you may have.